(iv) Shri Dayanidhi Maran, Minister of Communication, Information and Technology

(v) Shri R. Prabhu, Member of Parliament

(vi) Shri P. Mohan, Member of Parliament.

(d) After taking into account the views expressed by the participants, it was decided in the meeting that the consultant should be asked to examine alternative plans submitted by the company for revival of HPF.

Development of rural business hubs in Orissa

2211. MS. PRAMILA BOHIDAR:
SHRI B.J. PANDA:

Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether Government propose to develop rural hubs, the Chinese way to integrate rural areas into modern economic hubs;

(b) whether Government have selected some States for the purpose and a task force has been set up by his Ministry for conceptualizing rural business hubs in specific areas for economic development; and

(c) if so, the details thereof, with special reference to Orissa?

THE MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR): (a) The Prime Minister in his inaugural address to the Conference of Chief Ministers and State Ministers in charge of Rural Development and Panchayati Raj on 'Poverty Alleviation and Rural Prosperity through Panchayati Raj' held on 29-30 June, 2004 emphasized the importance of economic development through PRIs in rural areas and to evolve holistic models of rural development based on local resources and skills of local population utilizing agriculture and non farm sectors as engines of growth for providing additional incomes, livelihoods and create conditions for social equity and rural prosperity, drawing on China's experience of Town and Village Enterprises that add value to agricultural produce in rural areas. Thereafter a National-level Presentation on "Economic Empowerment through Panchayats" was held on the 5th November, 2004 in collaboration with the Confederation of Indian Industry (CII) in which more than 1000 elected representatives of Panchayati Raj Institutions

(PRIs) from States and Union Territories and about 200 members of the CII participated. Based on the deliberations there, the concept of Rural Business Hubs (RBH) has been evolved in consultation with CII. RBH concept is based on Public - Private - Panchayat - Partnership (PPPP) model which constitutes the basic and distinguishing strategic underpinning to enable better market access for locally available resources and skills by encouraging entrepreneurs, identified by CII in finding markets for products and skills by involving panchayats at all levels as promoters and facilitators so as to catalyze tie-ups between farmers and skilled artisans/craftsmen as to one hand and entrepreneurs, or the other. Panchayats are also to provide a variety of facilitatory support including identifying land, providing common work-sheds and other infrastructural support and organizing appropriate training. The PPPP concept aims at utilizing the synergies of different stakeholders in a given area to stimulate economic development of the area concerned through panchayats based on a self-sustained, self-supporting commercial models.

(b) and (c) This initiative of Ministry of Panchayati Raj was initially limited to nine States, to start with, as the newly formed Ministry of Panchayati Raj was taking shape and there was a shortage of officers and staff to follow up. These States were selected on the basis of initial response and interest shown by the States. The initiative has since been extended to all the States/UTs covered by Part IX of the Constitution.

A Rural Business Hub Council has also been set up, chaired by the Minister, Panchayati Raj and co-chaired by Shri Sunil Kant Munjal, immediate past President of CII, to promote Public-Private-Panchayat Partnerships to foster RBHs. Awareness programmes have been organized in several States which include Assam, Chhattisgarh, Jammu & Kashmir, Karnataka, Kerala, Rajasthan, Uttaranchal and Uttar Pradesh. An RBH Executive Committee has been constituted under the Chairmanship of Secretary, Ministry of Panchayati Raj to chalk out an action plan in accordance with the directions given by the RBH Council. The Committee has held its first meeting and has identified a number of modalities for pursuing development of RBHs in various States. In another context, Core Groups and a Mission has also been set up for sectors with special potential *viz.* textiles and bio fuels.

The first Memorandum of Understanding (MOU) under the RBH initiative was signed in Dehradun (Uttaranchal) for setting up a rural business hub for processing fruit grown in the Ramgarh block and few other Blocks of Nainital District. Thereafter, two more MOUs have been finalized and signed in Haryana to set up RBHs for Jatropha plantation and production of bio-diesel in the Faridabad and Mewat districts of the State. Another Jatropha based initiative has been taken by the CII & Govt. of Rajasthan in district Dungarpur. Subsequent to an advertisement in certain leading newspapers, over 150 responses have been received from RBIs and individuals. A conclave of all the stakeholders involved in the development of bio-diesel from Jatropha through Panchayats under the RBH initiative of the Ministry was held on 5 November 2005, which was attended by 100 PRI representatives from all over the country at which it was decided to set up a joint committee of the Ministry of Panchayati Raj and Petroleum and Natural Gas and the Planning Commission along with the stakeholders including Scientists and other corporates, on the development of Bio-Fuels plantations through Panchayats under the RBH initiative.

The RBH initiative is also scheduled to be discussed in the next meeting of the Council of State Ministers on Panchayati Raj at Bhubneshwar.

A proposal with a product list has been received from the Government of Orissa on 9.12.2005, which is being processed.

Strengthen OF PRIs

2212. SHRI N.R. GOVINDARAJAR: Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether Government are taking any steps to strengthen the Panchayati Raj Institutions in order to bring economic reforms in rural areas;

(b) if so, the details thereof; and

(c) what are the various steps Government propose to give more role to Panchayati Raj Institutions?